

CIA Plays With Kids and Loses Its Marbles

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By TED LEWIS

Washington, Feb. 20—In order to appreciate the mess that the Central Intelligence Agency has got itself into by sneaking funds into the National Student Association, it is necessary to go back to September, 1965.

In that month a document was leaked by Congressional sources which warned that the Soviet "department of disinformation" was using forged papers and phonied reports to "destroy the confidence of Congress and the American public in U.S. personnel and agencies engaged in anti-Communist and cold war activity."

The inference was that any American public figure criticizing the CIA was playing the Communist game.

This is exactly the same line being peddled in Congress today by defenders of CIA operations. Typical was the bleat by Sen. John Stennis (D-Miss.) in the Senate that the present criticism over the CIA's undercover NSA operation showed "some groups are consciously trying to destroy the CIA."

Stennis knows well that the tragedy of the present disclosures of CIA infiltration into the youth movement is that the intelligence agency in this area, if not in others, committed one of the most horrendous flops ever made by the spy establishment.

Gave Them Biggest Advantage Since Cold War Began

By failing to have an ironclad protective "cover" on its surreptitious system of semi-control through financing the youth organization, it gave Moscow's "department of disinformation" the biggest advantage since the cold war began.

In the intelligence community a cover has to be a cover—has to be real, impenetrable and always safeguarded with periodic checks of those privileged to be privy to the secret operation.

What a mess the CIA made on that score in the youth area! It passed on the money through "foundations," each of which had employes without CIA clearance who knew where the government cash was coming from. And to top off that error in judgment, key officials of the NSA itself—young, starry-eyed idealists mostly—were told about how CIA financing was keeping the organization solvent—for a price!

Now, in September, 1965, when the CIA report concerning the Soviet "department of disinformation" was leaked, the spy agency was also suffering from considerable Congressional heat. Not comparable to the present flames of criticism over taking advantage of dreamy-eyed college boys, but still very disturbing.

In Singapore, then Prime Minister Lee Kuan Yew had sounded off to the effect that he was offered a \$3 million bribe in early 1961 to hush up the arrest of a CIA agent.

Called It Plant by Reds to Destroy the CIA

At the time no one here took that too seriously, except the CIA which went into great detail to show that such bribery charges were clearly a plant of the Soviet intelligence apparatus. The prime objective of that apparatus was "to achieve the destruction, breakup and neutralization of the CIA."

Besides trying to "destroy the confidence" of the American

people and Congress in the CIA, the Moscow intelligence chiefs were also doing their damndest to discredit the Peace Corps, the USAID and "American political leaders generally."

"By striking at the CIA," the report continued, "the attack also renters on the intelligence community with particular thrust against the FBI and Mr. J. Edgar Hoover," but "the objective of the overall program is to achieve the destruction, breakup and neutralization of CIA."

Note that is the Moscow objective. The CIA has survived that Moscow-directed campaign. But the question now has arisen as to whether the CIA itself, by inept action of its own in the youth area, hasn't done a "neutralization" job on itself.

The hell of it is that within the CIA itself there are those officials who are acting happy over revelation of the way they infiltrated the NSA. These are the same individuals who pass the policy buck to the National Security Council, which, under Truman, Kennedy and LBJ had to supply the go-ahead for the youth-control operation.

Strong Odor of National Security Seal

But the youth-infiltration program was an entire CIA operation so far as the means for infiltrating were concerned. And it is in this area that the fault lies for the present stench which has the smell of a national security scandal, for it sets back by years this phase of international cold war activity.

What is perhaps worse is that the "cover" is likely to be blown off soon concerning other CIA secret financing arrangements. There was something fishy—even noticed by government intelligence operatives—in the denial by AFL-CIO President George Meany at Miami Beach today that the labor movement ever received any funds.

Meany said he "knew nothing" about the reported CIA financial help to the American Newspaper Guild for international unionization programs. Somebody should have asked him whether the AFL-CIO's international trade union drive had CIA blessing in a financial way.

Case of Lovestone and Brown

Particularly whether the two key figures in this overseas effort—Jay Lovestone and Irving Brown—have a dual loyalty have close to top secret clearance, even if not CIA agents exactly.

Lovestone, controversial and highly talented, broke with the Communists back in 1929. He is now international affairs director of the AFL-CIO. He is now international affairs director of the AFL-CIO and has n Brown, a most able and experienced lieutenant. Brown, as European representative of the AFL, helped organize anti-Communist labor unions in Germany and elsewhere beginning in 1945.

As far back as 1952 there were published charges that Lovestone and Brown, at that time, were working for both the garment workers union and the CIA in pushing the free trade union movement in Europe. Were they or were they not, then CIA Director Allen Dulles was asked. He refused to say yes or no.

Now it is obviously too bad that any CIA operative, either in the labor movement or the youth movement, should lose his "cover." But that is exactly what is in the works, and due almost entirely to the amateurish way the CIA has been trying to copy James Bond.

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This Washington Merry-Go-Round

CIA Figures in Reuther-Meany Rift

By Eric Pearson and
Jack Anderson

Revelation that the Central Intelligence Agency has paid almost \$1 million to the newspaper CIO in six years gave the public a look at only the above-water part of the CIA-AFL-CIO iceberg. The rest of the CIA money paid to organized labor, estimated at around \$100 million a year, is probably the biggest fund cashed out by Central Intelligence to anyone.

CIA payoffs and the foreign policy which goes with it are the chief bone of contention between AFL-CIO President George Meany and AFL-CIO Vice President Walter Reuther. It has come close to splitting the powerful AFL-CIO combine into two separate units after years of negotiating to put them together.

The huge CIA subsidy to organized labor chiefly goes to the following unions and union affiliates:

* Jay Lovestone, sometimes called Meany's minister of foreign affairs, a Lithuanian immigrant who became secretary general of the American Communist Party, then turned strongly anti-Communist, Lovestone takes orders from Cord Meyer of the CIA. No CIA money for labor is spent without Lovestone's approval, and few labor attachés are appointed to American embassies abroad without his O.K.

* The International Oil European labor, during the

Workers Union, which has handled sizable amounts of CIA money, especially in India.

* The Food and Restaurant Workers Secretariat, which embraces the food, hotel and brewery workers.

* The PTT Secretariat for the postal telegraph and telephone unions, all working closely with Joe Bierne, president of the Communications Workers of America.

* Irving Brown, Lovestone's No. 1 ambassador in Europe who operates largely through the International Confederation of Free Trade Unions.

* The American Institute for Free Labor Development—or AIFLD—with offices on K Street. It spends millions in Latin America.

* The African-American Labor Center (AALC) which spends CIA money in Africa.

* The Inter-American Regional Labor Organization—or ORIT—which also operates in Latin America. Its parent, the International Confederation of Free Trade Unions is too liberal for Lovestone, but ORIT takes direction from Lovestone and with it takes CIA money.

No Accounting

Some of these groups have done good work in combating Communist labor influences and in spreading free trade unionism. But the difference between their work and the work of Arthur Goldberg with

war was that Goldberg's was openly associated with the OSS, a counter-intelligence organization, while the affiliation between organized labor and the CIA is highly secret and carried on through dummy foundations.

Furthermore, there is no competent committee of Congress with knowledge of American policy which rides herd on the huge expenditure of Government money to organized labor. Thus you frequently find Meany and Lovestone following policies directly opposite to those of the United States. Meany, for instance, once called the late Premier Nehru of India an "ally of communism."

Finally, there is no Government accounting of these funds on behalf of the taxpayer. Unlike other agencies, these secret CIA funds do not have to be audited by the General Accounting Office. There is no way for the public or the General Accounting Office to know that Irving Brown in Europe paid \$1 million to corrupt elements in the French Longshoremen's Union at Marseilles to get them to unload Marshall Plan goods in 1948, and that heavy payments continued to the French longshoremen for an indefinite period afterward.

The Reuther faction of the AFL-CIO argues privately that the acceptance of CIA money puts organized labor on the same boat as the Government trade unions of Communist Eastern Europe and fascist Spain. Yet Meany, while accepting U.S. Government subsidies, boycotts Soviet, Polish and other Communists. Biggest spender of CIA money is AIFLD, composed not only of the Meany-Lovestone faction in the AFL-CIO, but Peter Grace of the Grace steamship line, Juan Trippe of Pan American Airways, and Charles Brinckerhoff of Anaconda Copper. To this partnership, labor is supposed to put up \$200,000 and business \$280,000. However, since labor's share is raised on a collection basis, some unions don't come across.

Central Intelligence not only makes up the difference, but adds several million dollars besides — all through dummy foundations. The AIFLD then puts up the money for housing projects in the Dominican Republic, Argentina, Costa Rica, Guyana, Mexico and Honduras; a bank in Peru, and training programs all over Latin America.

These are laudable programs. However, they are supposed to be the work of the Alliance for Progress, not the super-spy agency of the United States.

In brief, the CIA's cooperation with labor has come to be one way of getting around congressional appropriations for foreign aid, and also using funds to back dictatorships in Latin America.

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